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# Lisbon Uranium Mine Quotes Highest Output

Special to The Tribune

MOAB — The Rio Algom's Lisbon uranium mine south of here processed a record 273,000 tons of ore in 1979, Toronto the reported.

That amounted to an average of 751 tons a day compared to 741 tons a day in 1978 when a total of 267,000 ton was produced.

It said net earnings, however, from the operation were down sharply because of increased costs.

## Lower Than '78

The average grade of ore treated was lower than in 1978 in accordance with the mining plan for the Lisbon operation.

About 40 percent of the ore processed during the year came from previously defined ares. The balance represented new ore found through exploration of the Lisbon property and a higher extraction rate in developed areas of the mine.

A number of areas of the Lisbon property have potential for additional ore and are being investigated, the firm said.

The mine is owned and operated through a United States affiliate of Rio Algom which has been involved in a lengthy litigation with Westinghouse Electric Corp.

Average recovery of uranium oxide was 3.7 pounds per ton of ore in 1979 compared to 4 pounds the year before, producing in 1979 some 994,000 pounds of uranium oxide compared to 1,076,000 pounds the year before.

Average recovery was 93.6 percent to

94.6 percent for the year before.

During the year, the mine delivered 1.2 million pounds of uranium oxide compared to 1 million pounds the year before.

Rio Algom reported record earnings of \$75,761,000, or \$5.57 a share, on sales of \$710,729,000 in 1979 compared to \$61,817,000, or \$4.53 a share on sales of \$576,055 the year before.

It indicated total uranium oxide production was off 5,450,000 pounds of uranium oxide compared to 6,028,000 pounds the year before.

The firm also is engaged in copper and molybdenum mining and sale of stainless and specialty steel.

Its cash flow was impaired in 1979 through repudiation of a contract by the Tennessee Valley Authority to buy uranium, it said. And that forced Rio Algom to look for replacement contracts.

The loss of TVA as a customer comes in wake of lengthy litigation beginning in October, 1976, when Westinghouse Electric Corp. charged Rio Algom among 29 defendants with illegal combination and conspiracies to control the uranium market in violation of U.S. law.

## Similar Lawsuit

According to Rio Algom's annual reports TVA brought similar suit in November, 1977, naming Rio Algom among 13 companies.

TVA had contracted with Rio Algom in August, 1974, to provide 17 million pounds of uranium oxide concentrate between 1979 and 1990.